EX PARTE OR LATE FILED

Ernest B. Kelly, III, *President*

Telecommunications Resellers Association

1401 K Street, N.W.
Suite 600
Washington, D.C. 20005

Tel: (202) 835-9898
Fax:(202) 835-9893

April 27, 1999

The Honorable William E. Kennard
Chairman
Federal Communications Commission
445 12th Street, S.W.
Room 8-B201
Washington, D.C. 20024

Re: Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147

Dear Mr. Chairman:

In a letter dated March 1, 1999, the Telecommunications Resellers Association urged the Commission to act promptly to require incumbent local exchange carriers (LECs) to make advanced telecommunications services available for resale at wholesale rates pursuant to Section 251(c)(4) of the 1996 Telecommunications Act. Soon thereafter, the Commission released an order in its *Advanced Telecommunications Services Rulemaking* (CC Docket No. 98-147) in which it adopted a number of measures designed to speed the mass market availability of advanced telecommunications services. Unfortunately, the Order did not mandate the resale of such services at wholesale rates as required by law.

We understand that three main arguments have been raised against the Section 251(c)(4) resale of advanced telecommunications services. TRA addresses each of these contentions in detail in the enclosed white paper, demonstrating that none has merit. Indeed, the report makes the compelling case, first, that advanced services must be offered for resale at wholesale rates regardless of whether they are *exchange access services*. Second, that such services are largely *retail, not wholesale*, services provided by incumbent LECs. And finally, that mandating the availability of advanced services for resale at wholesale rates clearly would be in the *public interest*.

The Commission's failure to require incumbent LECs to make advanced services available for resale pursuant to Section 251(c)(4) needlessly prolongs the competitive disadvantage of new market entrants relative to their entrenched rivals. Once again, TRA implores the Commission to act swiftly to give new entrants the ability to offer consumers the benefits of high-speed voice and data services and, in

so doing, to help level the playing field between competitive and incumbent local exchange carriers.

With best wishes,

Cordially,

Ernest B Kelly

cc (w/attachments):

The Honorable Susan Ness
The Honorable Harold Furchtgott-Roth
The Honorable Michael K. Powell
The Honorable Gloria Tristani
Lawrence E. Strickling
Carol E. Mattey

Resale of Advanced Telecommunications Services Pursuant to Section 251(c)(4)

Telecommunications Resellers Association

April 27, 1999

Resale of Advanced Telecommunications Services Pursuant to Section 251(c)(4)

Section 251(c)(4) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the "Act"),[1] requires incumbent local exchange carriers ("LECs") to make advanced telecommunications services, such as digital subscriber line ("xDSL") services, available to new market entrants for resale at wholesale rates. Notwithstanding this clear statutory mandate, incumbent LECs continue to deny the literally hundreds of small to mid-size resale carriers that are currently attempting to provide competitive local exchange service access to these critical service offerings.[2] By failing to expressly require the resale at wholesale rates of xDSL and other advanced telecommunications services, the Commission leaves new market entrants fundamentally unable to "offer[] services that consumers perceive to be equal in quality to the offerings of incumbent LECs."[3] Indeed, in this instance, the Commission's failure to act is producing a result no less detrimental to competition than the resale restrictions unilaterally imposed by the incumbent LECs on advanced telecommunications services.

Three basic arguments have been raised against the Section 251(c)(4) resale of xDSL and other advanced telecommunications services. First, it is claimed that such services need not be offered for resale at wholesale rates because they are *exchange access services*. Second, it is asserted that such services are *wholesale* services which are not provided *at retail* by incumbent LECs. And third, it is argued that mandating the availability of advanced telecommunications services for resale at wholesale rates would be contrary to the *public interest*. Each of these contentions will be addressed below and shown to be without merit. Not only are incumbent LECs legally required to make xDSL and other advanced telecommunications services available for resale at wholesale rates, but the public interest in fostering a mass market for such services would be well served by strict enforcement of this obligation.

---

1 47 U.S.C. § 251(c)(4).

2 The Telecommunications Resellers Association numbers among its more than 800 members more than 200 resale providers of competitive local exchange service.

3 Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 (First Report and Order), 11 FCC Rcd. 15499, ¶ 16 (1996).

Advanced telecommunications services are subject to Section 251(c)(4) resale obligations, without regard to their classification as telephone exchange service or exchange access.

As recognized by the Commission, advanced telecommunications services are "telecommunications services" as defined by the Act.[4] Incumbent LECs have a duty to "offer for resale at wholesale rates any telecommunications service that . . . [they] provide[] at retail to subscribers who are not telecommunications carriers."[5] The record in CC Docket No. 98-147 confirms, and even incumbent LECs do not contest, that xDSL services are being provided overwhelmingly to residential and business users and Internet service providers ("ISPs"), none of which are telecommunications carriers. Because they are not provided primarily to telecommunications carriers, "advanced services are fundamentally different from the exchange access services that the Commission referenced in the *Local Competition Order* and concluded were not subject to Section 251(c)(4)."[6] Accordingly, if offered at "retail," xDSL and other advanced telecommunications services must be made available for resale at wholesale rates. As the Commission has tentatively concluded, "advanced services marketed by incumbent LECs generally to residential or business users or to Internet service providers should be deemed subject to the section 251(c)(4) resale obligation, without regard to their classification as telephone exchange service or exchange access."[7]

Advanced telecommunications services are provided to subscribers "at retail" by incumbent LECs.

As the Commission has recognized, the Act does not define the terms "wholesale" or "retail."[8] These terms, therefore, should be "interpreted in light of the pro-competitive policies underlying the 1996 Act."[9] As the Commission has further recognized, these pro-competitive

---

[4] Deployment of Wireline Services Offering Advanced Telecommunications Capability (Memorandum Opinion and Order and Notice of Proposed Rulemaking), 13 FCC Rcd. 24011, ¶ 60 (1998).

[5] 47 U.S.C. § 251(c)(4).

[6] Deployment of Wireline Services Offering Advanced Telecommunications Capability (Memorandum Opinion and Order and Notice of Proposed Rulemaking), 13 FCC Rcd. 24011 at ¶ 188.

[7] Id. at ¶ 189.

[8] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 (First Report and Order), 11 FCC Rcd. 15499 at ¶ 949.

[9] Id.

policies dictate an expansive view of the Section 251(c)(4) resale requirement. "Given the probability that restrictions and conditions may have anti-competitive results," the Commission explained, "it is consistent with the pro-competitive goals of the 1996 Act to presume resale restrictions and conditions to be unreasonable and therefore in violation of section 251(c)(4)."[10] Consistent with this approach, the Commission mandated the resale of, among other things, contract and other customer-specific offerings, subsequently reasoning that "failure to offer CSAs for resale at a discount impedes competition for . . . large-volume customers and thus impairs the use of resale as a vehicle for competitors to enter . . . [local] markets."[11]

Not even the incumbent LECs have disputed that telecommunications services they make directly available to business and residential users are provided "at retail." And it is undeniable that incumbent LECs are marketing and providing xDSL services directly to business and residential users. To quote Cincinnati Bell Telephone Company, "CBT does not dispute that advanced telecommunications services will be offered to retail customers."[12] That other incumbent LECs are providing xDSL services directly to business and residential users is evident from their mass market advertising of these services. Bell Atlantic, for example, lists among the services it provides "For Your Home," Infospeed DSL, which it describes as "a feature added to your regular phone line," that "provid[es] the fastest dedicated link to the Internet and remote local area networks."[13] Bell Atlantic also lists Infospeed DSL as a service offering "For Your Business." According to Bell Atlantic, Infospeed DSL will allow businesses to "turn ordinary phone lines into high-speed connections for Internet and remote LAN access applications such as teleworking,

---

[10] Id. at ¶ 939.

[11] Id. at ¶ 948, 953; Application of BellSouth Corporation, *et al.* Pursuant to Section 271 of the Communications Act of 1934, as amended, to Provide In-Region, InterLATA Services in South Carolina (Memorandum Opinion and Order), 13 FCC Rcd. 539, ¶¶ 212 - 24 (1997).

[12] Comments of Cincinnati Bell Telephone Company submitted in CC Docket No. 98-147 on September 25, 1998.

[13] *See* Attachment A at pp. 1, 3, 8.

telemedicine, and distance learning."[14] And Bell Atlantic makes clear that it will bill residential and business users directly for Infospeed DSL.[15]

Given that incumbent LECs make xDSL services available at retail to residential and business users, they must make these services available for resale at wholesale rates pursuant to Section 251(c)(4). To paraphrase the Commission, the language of Section 251(c)(4) makes no exception for telecommunications services which are provided to entities in addition to residential and business users.[16] The analysis, however, need not stop here.

Incumbent LECs also provide xDSL and other advanced telecommunications services to ISPs "at retail." Products and services are provided either at "retail" or at "wholesale." A "wholesale" transaction is commonly defined as "a sale in large quantity to one who intends to resell."[17] "Retail" transactions, on the other hand, involve direct sales to the ultimate consumer of the product or service.[18] Hence, a prerequisite of a "wholesale" transaction is the resale of the

---

[14] *See* Attachment B at pp. 2, 4, 9, 10 ("Infospeed DSL gives you automatic access to your ISP or corporate LAN . . . As the teleworking trend continues to gain momentum, people are looking for a more powerful way to connect to the office from home. Infospeed DSL is an ideal -- and affordable -- solution that lets teleworkers function just like they're in the office, but without the headaches of commuting. All it takes is Infospeed DSL service at home and DSL facilities at the office. To establish these facilities, the office can set itself up as a direct Service Provider, or simply support telecommuting via the Internet. . . . With Infospeed DSL, faculty and students don't have to be on campus to tap into the university LAN. . . . With Infospeed DSL at home or in the office, a physician has high-speed access to patient records that may be stored in a hospital or other remote-LAN .")

[15] *See* Attachment A at p. 9 ("In addition tc the above Infospeed DSL rates, you will incur monthly charges from your Internet Service Provider."); Attachment C at p. 17 ("Bell Atlantic has two methods of billing customers. Customers may receive ADSL charges as a line item on their existing Bell Atlantic monthly statement. This would be a service charge above their normal POTS line. Also, a corporate client or Service Provider may choose to be billed for the ADSL Service subscribers on a summary bill.").

[16] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 (First Report and Order), 11 FCC Rcd. 15499 at ¶ 948; *see also* MCI Telecommunications Corp. v. GTE Northwest, Inc., Civil No. 97-1687-JE, 1999 U.S. Dist. LEXIS 3129 (D Oregon, March 17, 1999).

[17] Blacks Law Dictionary (Centennial Edition), 6th Edition, 1597 (West Publishing Co. 1990).

[18] Id. at 1315; MCI Telecommunications Corp. v. BellSouth Telecommunications, Inc., 7 F. Supp.2d 674 (E.D.N.C., 1998).

product or service acquired by the wholesaler without substantial alteration of its form or content,[19] and a prerequisite of a "retail" transaction is the consumption of the product or service by the purchaser, irrespective of whether the product or service is consumed directly or used as an input to create a different product or service.[20] The linkage by Congress of resale obligations and wholesale rates in Section 251(c)(4) confirms this view; as discussed above, wholesale rates only exist in a resale context.[21] Thus, when an automobile manufacturer purchases steel to be consumed in manufacturing an automobile, it is engaged in a retail transaction. The same is true of the automobile manufacturer's purchase of the telecommunications services it utilizes to facilitate its manufacture of cars. Likewise, LEXIS/NEXIS and Westlaw purchase "at retail" the telecommunications services they use to provide their legal database services to lawyers and legal scholars. And an airline engages in a retail transaction when it acquires the telecommunications services it employs to sell tickets and to provide flight arrival and departure information to those to whom it has sold tickets. In all of these instances, the purchaser is not acquiring products and services for resale; rather it is acquiring products and services for consumption in providing its own products and services to consumers. The automobile manufacturer does not resell steel or telecommunications, it sells cars; database service providers sell information not telecommunications; and airlines provide travel services not telecommunications capability.

Against this backdrop, TRA submits that it is readily apparent that incumbent LECs provide xDSL and other advanced telecommunications services to ISPs "at retail." On the simplest level, the Commission has long classified ISPs and other enhanced service providers as end users within its access charge regime.[22] Hence, no distinctions should be drawn between the provision of xDSL service to residential and business users, on the one hand, and to ISPs, on the other hand. Even if they were not classified as end users for purposes of assessing access charges, ISPs certainly

---

[19] The Federal Power Act, for example, defines a sale at wholesale as a sale "to any person for resale." 16 U.S.C. § 824.

[20] "Industrial consumers who purchase electric energy for their own use (i.e., not for resale), are not wholesale customers; they are retail customers." Schuylkill Energy Resources v. Pennsylvania Power & Light Co., 113 F.3d 405, 416, fn. 15 (3rd Cir. 1997).

[21] Simply buying xDSL and other advanced telecommunications services in large quantities does not render an otherwise retail transaction a wholesale transaction. The Commission has already held that restrictions on the resale of "volume discount offerings" are "presumptively unreasonable" and, indeed, has directed incumbent LECs to make such offerings available for resale at wholesale rates "so long as the reseller, in aggregate, under the relevant tariff, meets the minimal level of demand." Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 (First Report and Order), 11 FCC Rcd. 15499 at ¶ 953.

[22] *See, e.g.,* Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Inter-Carrier Compensation for ISP-Bound Traffic (Declaratory Ruling), CC Docket Nos. 96-98 & 99-68, FCC 99-38, ¶ 5 (released February 26, 1999).

are not engaged in the resale of xDSL and other advanced telecommunications services. If they were, ISPs would be telecommunications carriers subject to certification and other federal and state regulatory requirements applicable to all common carriers. Moreover, as telecommunications carriers, ISPs would have the right to acquire local telephone service at wholesale discounts pursuant to Section 251(c)(4) and to obtain access to unbundled network elements at cost-based rates pursuant to Section 251(c)(3), rights they are currently denied by incumbent LECs. If ISPs do not resell xDSL and other advanced telecommunications services, they do not acquire these services as wholesalers. Rather they bundle the xDSL and other advanced telecommunications services they purchase from incumbent LECs with their Internet access and other Internet-based services to create their own service offerings.[23] As described by Bell Atlantic, "[t]he ISP/SPs can purchase ADSL Service for their customers and bundle it with Internet Services."[24] In other words, ISPs acquire xDSL and other advance telecommunications services "at retail."

Mandating the availability of advanced telecommunications services for resale at wholesale rates would further the public interest.

The incumbent LECs originally opposed imposition of the Section 251(c)(4) resale obligation on xDSL and other advanced telecommunications services on the grounds that such a requirement would render deployment of advanced telecommunications capability uneconomical, thereby deterring investment in the necessary infrastructure. That argument, of course, has fallen by the wayside. As the Commission has found, "investment [in broadband technologies], especially that by cable television companies and competitive LECs, appears to have spurred incumbent LECs

---

[23] Bell Atlantic concedes that ISPs would use xDSL and other advanced telecommunications services as "an input to their retail Internet services," but surprisingly argues that ISPs, including apparently Bell Atlantic.net, "resell" these services in blatant violation of federal and state law and regulation. *See* Bell Atlantic *Ex Parte* Presentation submitted in CC Docket No. 98-147 on March 12, 1999. GTE Service Corporation attempts to avoid this obvious problem by arguing that "when GTE provides ADSL service to an ISP and that ISP bundles its Internet access offering with GTE's ADSL functionality, the ISP may be using a telecommunications service but the nature of the overall service being offered to the customer remains an information service." Letter from W. Scott Randolph, Director - Regulatory Matters, to Magalie R. Salas, Secretary, Federal Communications Commission, submitted in CC Docket No. 98-147 on March 11, 1999. Of course, if the ISP is not reselling ADSL service, its acquisition of that service to bundle into its Internet access and other Internet-based services was a retail, rather than a wholesale, transaction.

[24] *See* Attachment C at 15 - 16 ("Alternatively, the Service Providers' customers can purchase ADSL Service directly from Bell Atlantic and association will be made using the appropriate SP code.").

to construct competing facilities."[25] Indeed, the Commission determined that at the same time they were arguing that relief from Section 251(c) was necessary to spur broadband investment, "[i]ncumbent LECs, mainly the Bell Operating Companies (BOCs) and GTE, . . . [were] investing billions of dollars in broadband technologies," with "plans to offer broadband to approximately twenty million homes this year."[26]

The predicate for their initial opposition to Section 251(c)(4) resale of xDSL and other advanced telecommunications services having been shown to be baseless, the incumbent LECs, undaunted, now contend that "imposing a wholesale discount requirement on wholesale xDSL services would make it impossible to provide ISPs the lowest possible price . . . ultimate[ly] . . . slow[ing] deployment of high speed services to the home."[27] Translated into plain English, the incumbent LECs are suggesting that, if not required to do so, they will voluntarily discount xDSL and other advanced telecommunications services by as much or more than Section 251(c)(4) requires, and in return they should be rewarded by being allowed to lock resale carriers out of the market not only for xDSL and other advanced telecommunications services, but for all services provided to ISPs, and be provided with a long term advantage over resale carriers in providing local telephone service to those business and residential users that will be drawn to xDSL and other advanced telecommunications services.

In enacting the Telecommunications Act of 1996, Congress intended for the Commission to eliminate, not erect, barriers to the competitive provision of the local exchange service. Moreover, Congress identified the "opening [of] all telecommunications markets to competition" as the engine for "accelerat[ing] rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans."[28] Section 251 is the mechanism prescribed by Congress for opening the local exchange and exchange access markets to competition, described by the Commission as one of two "cornerstones of the framework Congress established in the 1996 Act to open local markets to competition."[29] As articulated by the

---

[25] Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996 (Report), CC Docket No. 98-146, FCC 99-5, ¶ 42 (released February 2,1999).

[26] Id.

[27] Bell Atlantic *Ex Parte* Presentation submitted in CC Docket No. 98-147 on March 12, 1999.

[28] S. Conf. Rep. No. 104-230, 104th Cong., 2d Sess. 1 (1996) ("Conference Report")

[29] Deployment of Wireline Services Offering Advanced Telecommunications Capability (Memorandum Opinion and Order and Notice of Proposed Rulemaking), 13 FCC Rcd. 24011 at ¶ 73.

Commission, "Section 251's primary purpose is to foster competition that otherwise would not likely develop in local exchange and exchange access markets."[30]

The incumbent LECs would have the Commission undermine a key element of the market-opening mechanism established by Congress by denying resale competitors the ability to "offer[] services that consumers perceive to be equal in quality to the offerings of incumbent LECs."[31] Access to a full array of service offerings is obviously critical to resale carriers active in the local exchange market. If resale carriers are denied the opportunity to acquire xDSL and other advanced telecommunications services at wholesale rates for resale, they will be placed at a significant competitive disadvantage. A study conducted by the United States Telephone Association (the "USTA Report") offers the "extremely conservative estimate" that "[b]y year-end 2001, . . . between 10 and 11% of households" will subscribe to advanced telecommunications services.[32] Absent an xDSL service offering, resale carriers would not only be unable to satisfy the advanced telecommunications needs of this high-end segment of the residential market (as well as its equivalent on the business side), thereby being deprived of a critical revenue opportunity, but would likely be walled off from this market segment altogether. As succinctly stated by the Commission, "[i]f ordinary citizens can access . . . ['highspeed, packet-switched'] networks at high speeds using existing copper wires, a variety of new services and vast improvements to existing services will be available."[33] Resale carriers offering only POTS would likely lose entire accounts, not just the data portions of such accounts, to carriers offering advanced telecommunications services for want of a comparable service offering. And this would apply not only to new accounts, but existing accounts, undermining not only what existing competitive progress has been made to date in the local market, but competition in the interexchange market as well. "Customer control" would be ceded to the carrier that could provide the customer with advanced telecommunications service, jeopardizing existing customer relationships in not only the local, but the long distance, market.

---

[30] Guam Public Utilities Commission Petition for Declaratory Ruling Concerning Section 3(37) and 251(h) of the Communications Act; Treatment of the Guam Telephone Authority and Similarly Situated Carriers as Incumbent Local Exchange Carriers under Section 251(h)(2) of the Communications Act, 12 FCC Rcd. 6925, ¶ 41 (1997).

[31] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 (First Report and Order), 11 FCC Rcd. 15499 at ¶ 16.

[32] Crandall, R. W., and Jackson, C. L., Eliminating Barriers to DSL Service," p. 27 (July, 1998) (submitted as an *ex parte* filing in CC Docket Nos. 98-146 and 98-147 by letter filed by Lawrence E. Sarjeant, Vice President Regulatory Affairs & General Counsel, dated August 12, 1998).

[33] Deployment of Wireline Services Offering Advanced Telecommunications Capability (Memorandum Opinion and Order and Notice of Proposed Rulemaking), 13 FCC Rcd. 24011 at ¶ 7.

For what purpose would this competitive damage be inflicted? The incumbent LECs say it is necessary to ensure the "widespread deployment of advanced services to all Americans."[34] Again the incumbent LECs miss the mark. Resale carriers have a demonstrated ability to market telecommunications services. Against well established, far better known and significantly larger competitors in the long distance market, resale carriers have carved out an impressive market share.[35] They are beginning to replicate that feat in the local exchange market despite the incumbent LECs' best efforts to block such competitive intrusions. As the Commission has recognized, the vast preponderance of competitive success in the local exchange market has been achieved through full service resale.[36] With their track record of delivering mass market services to under-served market segments, resale carriers are far more likely to drive market demand for xDSL and other advanced telecommunications services than incumbent LECs who are only just now beginning to learn how to market.[37]

---

[34] Bell Atlantic *Ex Parte* Presentation submitted in CC Docket No. 98-147 on March 12, 1999.

[35] Zolnierek, J., Rangos, K., Eisner, J., Industry Analysis Division, Common Carrier Bureau, Federal Communications Commission, Long Distance Market Shares Fourth Quarter 1998, Table 3.1 (March, 1999)

[36] Industry Analysis Division, Common Carrier Bureau, Federal Communications Commission, Trends in Telephone Service, 9-1 - 9-3, Tables 9.2, 9.3, 9.4 (February, 1999) (Among competitively-provided loops, "[r]esold lines outnumber UNE loops by a factor of about 10 to 1.").

[37] The Commission should bear in mind that more than ten years ago, the BOCs promised to create a mass market for videotex services. Even such a skeptic as Judge Harold H. Greene was convinced:

> The videotex industry has grown slowly in the United States, particularly with respect to the home videotex market, and consumer-oriented videotex services on a substantial scale remain largely in the future. . . . There is a variety of opinion on the question of why videotex services have not grown in the United States. . . . After considering the subject in some detail and with great care, the Court has become convinced . . . that the broad scale and the reasonable cost criteria necessary for a successful system can be met only by permitting the Regional Companies to provide the necessary infrastructure components for efficient videotex services on an integrated basis.

United States v. Western Electric Co., 673 F. Supp 525 (D.D.C. 1987). Of course, the BOCs never created a mass market for videotex services following relaxation of the Modification of Final Judgment line-of-business restrictions.

The incumbent LECs, however, declare that imposition of Section 251(c)(4) resale obligations on xDSL and other advanced telecommunications services would deny small ISPs access to low rates and treat unfairly ISPs not associated with telecommunications carriers. With regard to the former claim, the opposite is actually the case. Small ISPs will not be able to negotiate the same favorable rates, terms and conditions that large ISPs will be able to forge with incumbent LECs, placing them at a distinct competitive disadvantage. It is simply not credible that small ISPs will have access to xDSL services under the same rates, terms and conditions as, for example, Bell Atlantic has apparently made available to America Online. Hence, small ISPs will look to competitive LECs as potential partners in the delivery of advanced telecommunications services coupled with Internet access. Such partnerships, and the ability of competitive carriers and small ISPs to compete with combinations such as Bell Atlantic and America Online, will be viable, however, only if competitive carriers are able to obtain advanced telecommunications services from incumbent LECs at wholesale rates. As to incumbent LEC claims that making advanced telecommunications services available for resale at wholesale rates would treat unfairly ISPs not associated with carriers, ISPs always have the option of becoming telecommunications carriers, taking advantage in so doing of the benefits of Section 251(c)(4).

In sum, Section 251(c)(4) requires incumbent LECs to make xDSL and other advanced telecommunications services available for resale at wholesale rates. Strict enforcement of this statutory obligation would further the public interest by helping to drive a mass market for such services. Each day that passes without Commission action directly mandating Section 251(c)(4) resale of xDSL and other advanced telecommunications services further hinders the efforts of TRA's resale carrier members to provide competitive local exchange services.

ATTACHMENT A

Bell Atlantic

Bell Atlantic For Your Home
Infospeed DSL

- For Your Home
- Infospeed DSL Home
- What is Infospeed DSL?
- Availability
- Pricing
- DSL Events
- Frequently Asked Questions
- Press Releases and Links
- Infospeed DSL for Business
- Contact Us

Infospeed DSL

Imagine up to 7.1 Mbps of pure speed to your home

Tired of waiting for downloads? Want to get more from your PC? Tap into the Web's true potential and use it the way you want to. Your existing phone line becomes a dedicated high-speed connection that ends the hassle of dial up and busy signals. Experience video, audio, and enhanced graphics - all at speeds up to 240 times faster than your old 28.8 modem.

Enter your phone number below to check availability.
Or come see the power of DSL.

( ) Submit

Homepage | For Your Home | For Your Business | For Government | About Us | Privacy

What is Infospeed DSL?

See what Infospeed DSL users have to say

Bell Atlantic Infospeed DSL is our latest high-speed data offering. It is based on Asymmetric Digital Subscriber Line (ADSL), a new super-fast digital modem technology from Bell Atlantic that provides data transmission at significantly higher speeds using your PC.

Infospeed DSL service expands the power of your existing lines, providing the fastest, dedicated residential link to the Internet and remote local area networks (LANs). With Infospeed DSL, a single phone line becomes a true multi-tasking tool, allowing you to use your telephone or fax machine while using your DSL modem for a data connection. (For more detailed information on Infospeed DSL, you may download this PDF file.)*

Bell Atlantic Infospeed DSL can best be described as follows:

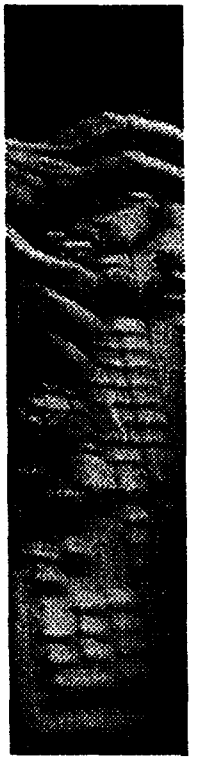
- It's a high-speed data access service...
  up to 245x faster than your 28.8 modem
  up to 55x faster than ISDN
  up to 4x faster than T1
- that works on your existing phone line...
  simple box installation splits existing phone line so it's ready for use
  Bell Atlantic can also provide you with ISP services
- lets you talk and surf simultaneously...
  no sharing access as with cable modems
  allows you to use your phone/fax while you're on the Internet
- and keeps you connected.
  no dialing in and logging on
  no busy signals, ever

Power | Availability | Pricing | FAQ | Glossary

* To view, navigate and print PDF files, you need Adobe® Acrobat® Reader. Click here to download a free copy if you don't already have it.

For Your Home
Infospeed DSL Home
What is Infospeed DSL?
Availability
Pricing
DSL Events
Frequently Asked Questions
Press Releases and Links
Infospeed DSL for Business
Contact Us

The Benefits of Speed



Infospeed DSL service provides you with a high-speed dedicated link to your home that offers unique advantages over other options.

Infospeed DSL vs. Analog Modems

Analog modems are, of course, analog. Infospeed DSL sends information digitally all the way to your home, providing a more stable, reliable connection.

Analog modems tie up your phone line. Infospeed DSL service provides you with the flexibility to surf the Internet while you talk on the phone or send a fax, over one phone line.

Analog modems require you to dial in to an ISP or Remote LAN, sometimes experiencing busy signals. Infospeed DSL is on a dedicated line that's always connected. It requires no dialing, and that means no more dreaded busy signals.

Current analog modem speeds are less than 56 Kbps. Even if you use the newest analog modem technology that enables you to tie two data streams together, you are still limited to 112 Kbps. Infospeed Service is much faster. In fact, Infospeed 640K is over 12 times faster than a 56 Kbps modem.

Infospeed DSL vs. Cable Modems

Cable modem services offer shared bandwidth between you and your neighbors. Your speed will vary with how many people are on the cable modem network. With Infospeed DSL service, you have a dedicated connection to your home.

When you subscribe to cable modem service, you usually have no choice but to use the cable company's ISP. In some cases, this will require switching from your current ISP and e-mail account. With Infospeed DSL, you may use Bell Atlantic.net, but you also have the freedom to use any other ISP.

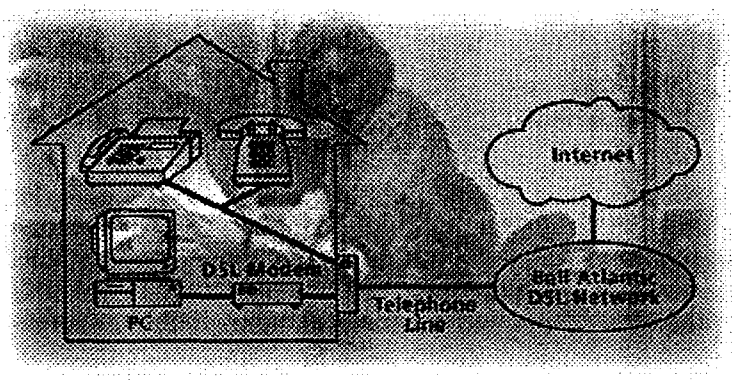
Plus, Infospeed DSL is backed by the strength and experience of Bell Atlantic, a leading provider of communications solutions for over 50 years.

Power | Availability | What Is Infospeed DSL? | Pricing | FAQ

Infospeed DSL: It works on your existing phone line.

Bell Atlantic Infospeed DSL is an Asymmetrical Digital Subscriber Line (ADSL). ADSL is a modem technology that uses bandwidth from a part of your telephone line that doesn't get used during voice communications. This is why the use of your phone or fax does not affect your Infospeed DSL connection.

The line is split at your home, carrying voice to your telephone or fax machine and data to your computer via a DSL modem, also called an ADSL Terminal Unit-Remote (ATU-R). An Ethernet card is required in your computer to interface with the DSL modem. A standard Ethernet cable connects the DSL modem to the Ethernet card.



As the name implies, ADSL is an asymmetric technology. Asymmetric means that incoming and outgoing data travels at two different speeds. Infospeed DSL provides higher bandwidth speeds where you need it most - from the Internet (or office) to your home. Smaller bandwidth is provided upstream (from your home). DSL technology is distance sensitive - so you must reside within a specific distance from your Bell Atlantic Central Office to get it. It is the upstream bandwidth that limits the distance.

Infospeed DSL is available at the following speeds:

- Infospeed 640K, which will provide downstream speeds up to 640 Kbps and upstream speeds up to 90 Kbps.
- Infospeed 1.6M, which will provide downstream speeds up to 1.6 Mbps and upstream speeds up to 90 Kbps.
- Infospeed 7.1M, which will provide downstream speeds up to 7.1 Mbps and upstream speeds up to 680 Kbps.

Even more exciting, we offer special packages that combine Infospeed DSL with our Bell Atlantic.net ISP services, starting

Bell Atlantic

Bell Atlantic For Your Home
Infospeed DSL

For Your Home
Infospeed DSL Home
What is Infospeed DSL?
Availability
Pricing
DSL Events
Frequently Asked Questions
Press Releases and Links
Infospeed DSL for Business
Contact Us

Talk and surf simultaneously

Infospeed DSL gives you the flexibility to do your work, your browsing, and your general search for information without having to disconnect every time you need to make a call or use the fax. Browse the Web on a weekend afternoon without the worry of missing a call about the night's plans. Find a quick piece of information on the Web without the hassle of dialing up, signing on, and waiting for downloads.

Infospeed DSL can simplify your life by making your connection work for you.

- **You expand the capabilities of your existing phone line**, which makes Internet use more convenient. Use your telephone or fax while you're on the Web or connected to the office. No need to sign off as with traditional modems.
- **Your connection is your own.** With a cable modem, your connection speed will vary depending on how many other customers are sharing the line. With Infospeed DSL you get all of the power of your access speed, all of the time.
- **Your connection is always on.** This means no dial-ups, no sign-ons, no busy signals, and no connection errors.

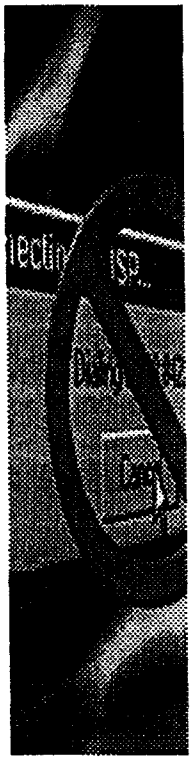
Power | Availability | What Is Infospeed DSL? | Pricing | FAQ

Homepage For Your Home For Your Business For Government About Us

Privacy

For Your Home
Infospeed DSL Home
What is Infospeed DSL?
Availability
Pricing
DSL Events
Frequently Asked Questions
Press Releases and Links
Infospeed DSL for Business
Contact Us

Keeps You Connected



With ADSL technology, Bell Atlantic turns your existing phone line into a constant high-speed data connection, while allowing you to continue to use your phone or fax line as usual. Because Infospeed DSL gives you automatic access to your ISP, you will never have to dial up, which means you won't have to deal with the hassles of busy signals and connection errors. Simply click your web browser application and you're ready to go.

As you can see below, this dedicated connection serves as a powerful tool for accessing data from your home.

Internet/Online

Bell Atlantic's Infospeed DSL service sends data at rates ranging from 640 Kbps up to 7.1 Mbps from the Internet to your home. Depending on the package you choose, your access speed will be from 22 to 246 times faster than that of a conventional 28.8 Kbps modem, making Internet navigation more practical and reliable. The greatly increased speeds of Infospeed DSL turn your PC into a powerful resource. Use it to experience the benefits of enhanced multimedia content, or, simply, to get the information you need quickly and efficiently.

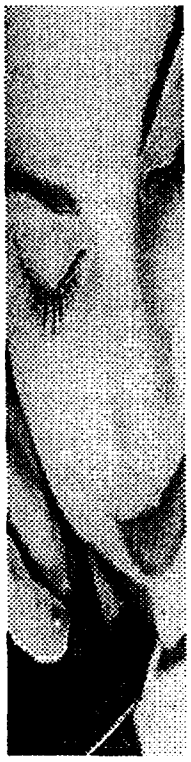
Remote LAN Access/Telecommuting

The trend in telecommuting continues to grow; so does the demand for more efficient tools to help people who work from home keep current with activities taking place back at the office. The bandwidth provided by Infospeed DSL eliminates a key disadvantage of telecommuting: slow download time. For instance, Infospeed can cut the time required to transmit a typical Windows screen (50 Kb) from 21 seconds down to a fraction of a second. It will feel just like you're in the office - but without the headaches of commuting.

Power | Availabilty | What Is Infospeed DSL? | Pricing | FAQ

For Your Home
Infospeed DSL Home
What is Infospeed DSL?
Availability
Pricing
DSL Events
Frequently Asked Questions
Press Releases and Links
Infospeed DSL for Business
Contact Us

Infospeed DSL Pricing



Infospeed DSL - Monthly Rate

Infospeed 640Kbps	$39.95
Infospeed 1.6Mbps	$59.95
Infospeed 7.1Mbps	$109.95

Infospeed DSL is a feature added to your regular phone line. In addition to the above Infospeed DSL rates, you will incur monthly charges from your Internet Service Provider, as specified in the table below.

One Time Charges

One-time charges include the following:

Service Connection Charge:	$99.00
DSL Modem:	$325.00
Turnkey Home Installation:	$99.00

Please note that if you do not already have an Ethernet card, you will need to purchase one from Bell Atlantic or any other retail provider of Ethernet cards.

Internet Service Providers

ISP	Areas Served	Phone Number	Monthly Prices (in addition to Infospeed charges above)	Special Promotions
Atlantech	DC Metro	Atlantech: 301-589-3060 BA: 877-305-9390	640K: $19 1.6M: $45 7.1M: $75 Business and Optional Services available.	After the first three months at regular price, you get up to ONE YEAR FREE. After three months of Infospeed 640K you get twelve (12) months free; with Infospeed DSL 1.6M you get six (6) months free; and with Infospeed DSL 7.1M you get three (3) months free. Offer ends June 30, 1999.
Bell Atlantic.net	DC Metro, North Jersey, Philadelphia, Pittsburgh	877-438-3750	640K: $10 1.6M: $40 7.1M: $80	Sign up for twelve months and get a DSL modem for only $99. Plus, Home Turnkey Installation is FREE!. Bell Atlantic.net promotions in place through Dec. 31, 1999.
Stargate Industries	Pittsburgh	412-316-STAR	640K: $30 1.6M: $55 7.1M: $80	First three months of Stargate service free, plus a $200 rebate. Offer ends June 30, 1999. *Call Stargate for additional details.*
OpNet	Philadelphia	610-520-2880	640K: $20 1.6M: Coming Soon 7.1M: Coming Soon	Sign up before June 15, 1999 and get six months of free DSL service. Restrictions apply. *Consult OpNet webpage for details.*

The levels of Infospeed DSL service available to you will vary based on your distance from your Bell Atlantic Central Office. Infospeed DSL is not available in all areas.

Click here for information on our Refer-A-Friend Program, which offers you cash rewards for signing up friends and neighbors for Infospeed DSL and Bell Atlantic.net.

ISDN Rewards

Bell Atlantic will be "technology-change proofing" its high speed services by introducing an **ISDN Rewards** program concurrent with the launch of its Infospeed product line. Once Bell Atlantic Infospeed service is available in an area, Bell Atlantic residential customers who have purchased an ISDN modem from Bell Atlantic will be guaranteed an ADSL modem from the company at no additional charge when they subscribe to our Bell Atlantic.net DSL offering with a 12-month commitment.

Bell Atlantic residential customers who prefer to use another Internet provider will receive 1/2-off Bell Atlantic's normal ADSL modem price when they purchase an ADSL modem from Bell Atlantic. So, customers who want high-speed Internet access need not wait until ADSL-powered Infospeed is available in their area. Where Bell Atlantic Infospeed is not available or is not compatible with a person's line, customers can still order Bell Atlantic ISDN service for high-speed Internet access. Bell Atlantic ISDN service is available - today - to nearly 20 million households in the mid-Atlantic region and the Northeast. ISDN can provide Internet connections that are more than four times faster than traditional 28.8 Kbps modems. Nearly half of the one million ISDN lines installed in the United States are used by Bell Atlantic customers.

Purchase of Infospeed DSL not required. Limit one per household. ISDN modem must have been purchased from Bell Atlantic's Residential ISDN Center in Norfolk, VA or from Bell Atlantic's authorized sales agent IDRC or Telamon. Return of the ISDN digital modem invalidates this offer. Terms and Conditions associated with this program are subject to change.

Power | Availability | What Is Infospeed DSL? | Pricing | FAQ

Homepage For Your Home For Your Business For Government About Us

Privacy

ATTACHMENT B

For Your Business

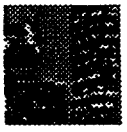
What can we do for your Business?

For Your Home
For Your Business
For Government
About Us
Customer Service
Quick Find
Contact Us

Select a Business Category
GO

Small Business Services

The small and home-based business owner's resource for smart business solutions... for answers to voice, data, and Internet services that work for you. Also, gain valuable insights and useful communication strategies from UPDATE[sm] Magazine.



Large Business Services

Large Business solutions, integrating end-to-end voice, data and video networking services, tailored to meet the evolving needs of your enterprise and to help you benefit from the latest technology. Also, the Make IT Happen ® newsletter gives you news-you-can-use and telecommunications solutions from leading experts in the information technology industry.

Wholesale Services

We have two organizations serving the wholesale market. Carrier Services serves interexchange carrier and billing customers, and Telecom Industry Services serves wireless carriers, local resellers, CLECs, payphone providers and independent telephone companies.

Internet Solutions

Bell Atlantic Internet Solutions offers connectivity and access to the Internet as well as network integration, Web site design, hosting, security solutions and consultation.

ISDN

With ISDN, you can connect to the Internet or your company network at 128Kbps. Plus, ISDN lets you make phone or fax calls while you're connected at 64Kbps - all over one line. Want to learn more? See What is ISDN - a complete description of the service - or see Using ISDN to learn how people are making the most of it.

Infospeed DSL

Rev Up Remote LAN and Internet Access! Bell Atlantic Infospeed DSL (ADSL) turns ordinary phone lines into an affordable high-speed digital data link for satellite offices, teleworking, telemedicine, distance learning, and more!

Data Solutions Group

Comprised of:
Bell Atlantic Internetworking & Multimedia Solutions provides secure IP, web-based solutions; streamimg, messaging and video-conferencing in a secure transparent manner.
Bell Atlantic Global Networks is building the infrastructure to support long-distance voice and data services in preparation for Bell Atlantic's entry into the in-region, long-distance market.
Bell Atlantic Network Integration provides full-service voice, data and video network integration.

Wireless Services

Bell Atlantic Mobile, the largest wireless service company on the East Coast and the second largest in the U.S., prov ides a full range of wireless voice, paging, and data communications solutions.

Long Distance

Bell Atlantic Communications offers long distance calling plans for your business (out of region only).

Public Communications

Bell Atlantic payphones offer reliable equipment, dependable service, competitive rates and a committed partners hip with our location providers in the commercial, educational and correctional markets.

Video

Bell Atlantic Video's Digital Production Studio and Service Bureau provide multimedia services ranging from web development to intera ctive television.

Bell Atlantic Large Business Services also offers a variety of video solutions for its' customers.

Communications and Construction Services Inc.

BACCSI - Bell Atlantic Communications and Construction Services Inc. installs, maintai ns and repairs telecommunications services for Bell Atlantic customers. Complete wiring services include security cameras, multi-port outlets, home theaters, baby monitors, and DDS satellites.

TeleProducts

Bell Atlantic TeleProducts provides a full range of telephone equipment and accessories. The right piece of equipment all ows you to take full advantage of your network services and helps simplify your life.

Area Codes

Featuring everything you need to know about the new Bell Atlantic Area Codes...and then some!

Local Number Portability

Local Number Portability (LNP) is a capability that will allow customers to keep the same telephone number as they change their operating environment.

Year 2000

Bell Atlantic's goal is to have its network and other mission critical systems Y2K compliant by June 30, 1999. Complete guides, updates, and network services status.

Big Yellow Online Directory

Your Yellow pages or White pages listings on the web

Phone Fraud Prevention

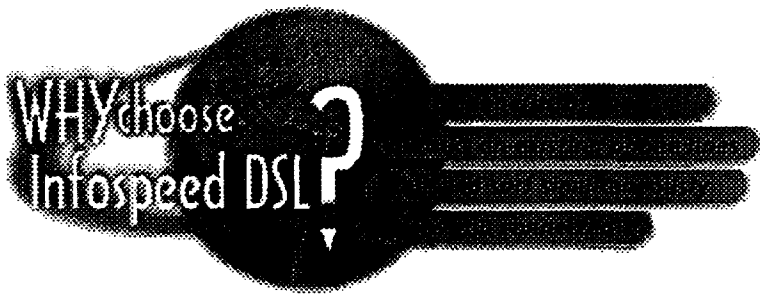
Find out what you can do to prevent phone fraud.

Infospeed DSL Homepage
What is Infospeed DSL?
Availability
Pricing
Frequently Asked Questions
Press Releases and Links
Infospeed DSL for Service Providers
Quick Find
Contact Us

Infospeed DSL

Experience up to 7.1 Mbps of pure speed to your business

Want to turn ordinary phone lines into high-speed connections for Internet and remote LAN access applications such as teleworking, telemedicine, and distance learning? Discover Bell Atlantic's Infospeed DSL: the digital service that transmits video, audio, and enhanced graphics at speeds up to 12 times faster than a 56 Kbps analog modem — and all at affordable flat-rate pricing.



Homepage | For Your Home | For Your Business | For Government | About Us | Privacy

Infospeed DSL Homepage
What is Infospeed DSL?
Availability
Pricing
Frequently Asked Questions
Press Releases and Links
Infospeed DSL for Service Providers
Quick Find
Contact Us

What is Infospeed DSL?

Bell Atlantic Infospeed DSL uses super-fast digital modem technology — called Asymmetric Digital Subscriber Line (ADSL) — to deliver high-speed data access through ordinary copper phone lines.

With Infospeed DSL service, a single phone line becomes a true multi-tasking tool, allowing you to use your telephone or fax machine while using your DSL modem for a high-speed data connection. The result is a fast, dedicated link to the Internet and remote local area networks (LANs).

Bell Atlantic Infospeed at a glance:

- The benefits of speed
  up to 245x faster than your 28.8 modem
  up to 55x faster than ISDN
  up to 4x faster than T1
- Works on existing phone lines
  simple box installation splits existing phone line so it's ready for use
  Bell Atlantic can also provide you with ISP services
- Talk and surf simultaneously
  no sharing access as with cable modems
  allows you to use your phone/fax while you're on the Internet
- Keeps you connected
  no dialing in and logging on
  no busy signals, ever

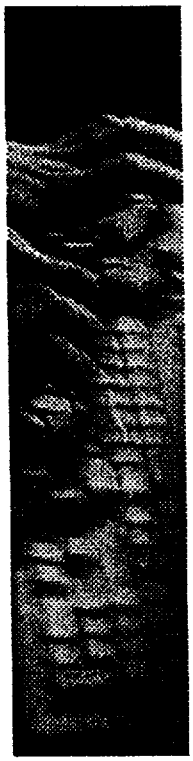
Homepage | For Your Home | For Your Business | For Government | About Us | Privacy

The Benefits of Speed

Infospeed DSL service provides you with a high-speed dedicated link to your office that lets you conduct business faster and easier than ever before.

Infospeed DSL vs. Analog Modems

Analog modems are, of course, analog. Infospeed DSL sends information digitally all the way to your business, providing a more stable, reliable connection.



Analog modems can tie up your phone line. Infospeed DSL service provides you with the flexibility to access your company LAN, your university network or access the Internet all while you talk on the phone or send a fax, over the same phone line.

Analog modems require you to dial in to an ISP or remote LAN, leaving you subject to busy signals. Infospeed DSL is a dedicated connection that's always available. It requires no dialing, and that means no more dreaded busy signals.

Current analog modem speeds are less than 56 Kbps. Even if you use the newest analog modem technology that enables you to tie two data streams together, you are still limited to 112 Kbps. Infospeed Service is much faster. In fact, Infospeed 640K is over 12 times faster than a 56 Kbps modem.

Infospeed DSL vs. Cable Modems

Cable modem services offer shared bandwidth between you and your neighbors for connection to the Internet. Your speed will vary with how many people are on the cable modem network. With Infospeed DSL service, you have a dedicated connection to your home.

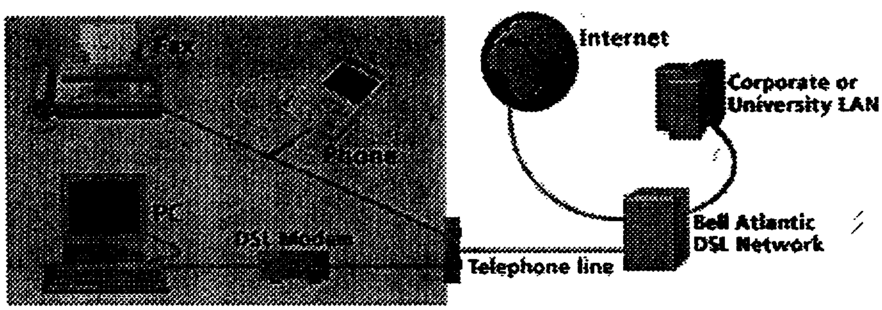
Also, when you subscribe to cable modem service, you usually have only one ISP choice: the cable company's ISP. In some cases, this will require switching from your current ISP and e-mail account. With Infospeed DSL, you may use Bell Atlantic.net for Internet access, but you also have the freedom to use other ISPs who are linked to our ADSL network.

Plus, Infospeed DSL is backed by Bell Atlantic — and our more than 100 years of experience tailoring communications solutions for our

Works on Existing Phone Lines

Bell Atlantic Infospeed DSL is an Asymmetrical Digital Subscriber Line (ADSL). ADSL is a modem technology that uses bandwidth from a part of your telephone line that doesn't get used during voice communications. This is why the use of your phone or fax does not affect your Infospeed DSL connection.

The line is split at your office (or home office), carrying voice to your telephone or fax machine and data to your computer via a DSL modem, also called an ADSL Terminal Unit-Remote (ATU-R). An Ethernet card is required in your computer to interface with the DSL modem. A standard Ethernet cable connects the DSL modem to the Ethernet card.



As the name implies, ADSL is an asymmetric technology. Asymmetric means that incoming and outgoing data travels at two different speeds. Infospeed DSL provides higher bandwidth speeds where you need it most - from the Internet (or office LAN) to your home. Smaller bandwidth is provided upstream (from your office or home office). DSL technology is, however, distance sensitive - so your location must be within a specific distance limitation from your Bell Atlantic Central Office.

Infospeed DSL is available at the following speeds:

- Infospeed 640K, which will provide downstream speeds up to 640 Kbps and upstream speeds up to 90 Kbps.
- Infospeed 1.6M, which will provide downstream speeds up to 1.6 Mbps and upstream speeds up to 90 Kbps.
- Infospeed 7.1M, which will provide downstream speeds up to 7.1 Mbps and upstream speeds up to 680 Kbps.